



General Assembly

February Session, 2010

Raised Bill No. 322

LCO No. 1723

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Referred to Committee on Select Committee on Aging

Introduced by:
(AGE)

***AN ACT CONCERNING LONG-TERM CARE POLICIES UNDER THE
CONNECTICUT PARTNERSHIP FOR LONG-TERM CARE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2010*) Any insurer licensed to
2 do business in this state, or authorized to do business on a
3 nonadmitted basis, that intends to discontinue offering a line of
4 insurance in this state, including long-term care insurance policies
5 precertified pursuant to section 38a-475 of the general statutes, as
6 amended by this act, shall use its best efforts to sell said line of
7 business to another insurer licensed to do business in this state or
8 authorized to do business on a nonadmitted basis.

9 Sec. 2. Section 38a-475 of the general statutes is repealed and the
10 following is substituted in lieu thereof (*Effective October 1, 2010*):

11 The Insurance Department shall only precertify long-term care
12 insurance policies [which] that (1) alert the purchaser to the availability
13 of consumer information and public education provided by the
14 Department of Social Services pursuant to section 17b-251; (2) offer the
15 option of home and community-based services in addition to nursing

16 home care; (3) in all home care plans, include case management
17 services delivered by an access agency approved by the Office of
18 Policy and Management and the Department of Social Services as
19 meeting the requirements for such agency as defined in regulations
20 adopted pursuant to subsection (e) of section 17b-342, which services
21 shall include, but need not be limited to, the development of a
22 comprehensive individualized assessment and care plan and, as
23 needed, the coordination of appropriate services and the monitoring of
24 the delivery of such services; (4) provide inflation protection; (5)
25 provide for the keeping of records and an explanation of benefit
26 reports on insurance payments which count toward Medicaid resource
27 exclusion; [and] (6) provide the management information and reports
28 necessary to document the extent of Medicaid resource protection
29 offered and to evaluate the Connecticut Partnership for Long-Term
30 Care; and (7) base the premium rates charged on a community rate. No
31 policy shall be precertified if it requires prior hospitalization or a prior
32 stay in a nursing home as a condition of providing benefits. The
33 commissioner may adopt regulations, in accordance with chapter 54,
34 to carry out the precertification provisions of this section.

35 Sec. 3. Section 17b-371 of the 2010 supplement to the general statutes
36 is repealed and the following is substituted in lieu thereof (*Effective*
37 *October 1, 2010*):

38 (a) On July 1, 2011, to the extent permitted by federal law, there
39 shall be established within the General Fund, a separate, nonlapsing
40 account which shall be known as the "Long-Term Care Reinvestment
41 account". The account shall contain any moneys required by law and
42 this section to be deposited in the account. Any funds resulting from
43 the enhanced federal medical assistance percentage received by the
44 state under the Money Follows the Person demonstration project
45 pursuant to Section 6071 of the Deficit Reduction Act of 2005 shall be
46 deposited in the account.

47 (b) Money held in the account shall be expended by the

48 Commissioner of Social Services, in consultation with the Secretary of
49 the Office of Policy and Management, in accordance with this
50 subsection and the plan developed pursuant to subsection (c) of this
51 section, to:

52 (1) Provide funds for programs and services that provide cost-
53 effective home and community-based alternatives to institutional care
54 in nursing home facilities, including, but not limited to, occupational
55 therapy, homemaker services, companion services, meals on wheels,
56 adult day care, personal care services, transportation, mental health
57 counseling, care management, elderly foster care, minor home
58 modifications and assisted living services;

59 (2) Provide funds for rate increases (A) for home health agencies
60 and other providers of home care services that are in addition to any
61 rate increases authorized pursuant to sections 17b-242 and 17b-343 to
62 meet the actual costs of care, and (B) for increased wages for transition
63 coordinators under the Money Follows the Person demonstration
64 project;

65 (3) Provide funds to develop, improve and increase the long-term
66 care services workforce, including, but not limited to, training,
67 education and other incentives;

68 (4) Provide funds to improve information technology and systems
69 used to track costs and savings associated with the provision of home
70 and community-based services and to improve access to information
71 on long-term care programs and services for the elderly and disabled;

72 (5) Encourage the purchase and renewal of precertified long-term
73 care insurance through the Connecticut Partnership for Long-Term
74 Care by covering the costs of the premiums or premium rate increases
75 of individuals for six months;

76 (6) Pay the cost of relocating nursing home residents to other
77 facilities if necessary to protect the health and safety of such residents,

78 maintaining and operating a facility pending correction of deficiencies
79 or closure, and reimbursing residents for the loss of funds in personal
80 fund accounts pursuant to subsection (b) of section 17b-106;

81 (7) Provide grants to existing nursing home facilities to make facility
82 changes, improvements and modifications to support home and
83 community-based services and programs; or

84 (8) Provide grants to promote the adoption of building designs and
85 principles of alternative nursing homes, such as Eden Alternative,
86 Green House or Small House nursing homes, to improve the quality of
87 life for long-term care facility residents.

88 (c) The Commissioner of Social Services, in consultation with the
89 Secretary of the Office of Policy and Management, shall develop and
90 implement a written plan for purposes of the allocation of funds
91 pursuant to subsection (b) of this section, including, but not limited to,
92 application procedures and establishment of eligibility criteria and
93 requirements for recipients of assistance. The commissioner shall
94 submit a copy of the written plan to the joint standing committee of the
95 General Assembly having cognizance of matters relating to human
96 services and appropriations and the budgets of state agencies.

97 (d) On or before January 1, 2012, and annually thereafter, the
98 Commissioner of Social Services shall submit a report, in accordance
99 with section 11-4a, to the Governor and to the joint standing
100 committees of the General Assembly having cognizance of matters
101 relating to human services and appropriations and the budgets of state
102 agencies concerning the Long-Term Care Reinvestment account
103 established under this section. The report shall include financial
104 information concerning the money in the account, including, but not
105 limited to, information on the number, amount and type of
106 expenditures from the fund during the prior calendar year and
107 estimates of the impact of the fund on present and future Medicaid
108 expenditures.

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| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>October 1, 2010</i> | New section |
| Sec. 2 | <i>October 1, 2010</i> | 38a-475 |
| Sec. 3 | <i>October 1, 2010</i> | 17b-371 |

Statement of Purpose:

To protect purchasers of precertified long-term care insurance policies through the Connecticut Partnership for Long-Term Care against substantial increases in premium rates.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]